VZCZCXRO3731 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHBK #3529/01 3371004 ZNY CCCCC ZZH O 021004Z DEC 08 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC IMMEDIATE 5271 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHBJ/AMEMBASSY BEIJING PRIORITY 6578 RUEHKO/AMEMBASSY TOKYO PRIORITY 1229 RUEHUL/AMEMBASSY SEOUL PRIORITY 5110 RUEHBY/AMEMBASSY CANBERRA PRIORITY 9254 RUEHLO/AMEMBASSY LONDON PRIORITY 1809 RUEHCHI/AMCONSUL CHIANG MAI PRIORITY 5929 RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUCPDOC/DEPT OF COMMERCE WASHINGTON DC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHHMUNA/USCINCPAC HONOLULU HI PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

C O N F I D E N T I A L SECTION 01 OF 04 BANGKOK 003529

STPDTS

NSC FOR DENNIS WILDER AND LIZ PHU

E.O. 12958: DECL: 12/02/2018

TAGS: <u>PGOV KDEM KJUS ASEC CASC ECON EINV TH</u>
SUBJECT: THAI COURT DISSOLVES PPP, REMOVES PRIME MINISTER;
OPPOSITION LEADER SEES NO END TO STALEMATE

REF: A. BANGKOK 3520 (FOCUS SHIFTS TO COURTS)

- 1B. BANGKOK 3492 (ARMY CHIEF URGES ELECTIONS)
- 1C. BANGKOK 3226 (HOPES FOR MEDIATION)
- TD. BANGKOK 3192 (PRIVY COUNCILORS)
- 1E. BANGKOK 3191 (THAKSIN PROMISES RESISTANCE)

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Classified By: Ambassador Eric G. John, reason: 1.4 (b and d).

- $\P 1$. (C) The Constitutional Court on December 2 issued a ruling that dissolved the People's Power Party and two other coalition parties, stripping the Prime Minister and other party executive board members of their political rights and offices. Deputy PM Chavarat Charnvirakul now serves as acting PM until a new coalition and Cabinet form. In the run-up to the ruling, opposition Democrat Party Leader Abhisit Vejjajiva told the Ambassador he saw no easy way out of Thailand's predicament. Abhisit doubted that the ruling would end anti-government protests at Bangkok airports, as he believed that the next Prime Minister to be elected by the House would be another proxy of former PM Thaksin Shinawatra. Abhisit believed Thaksin had adopted aggressive tactics, such as attacks on People's Alliance for Democracy (PAD) rallies, to destabilize Thailand, and that Thaksin would welcome a coup d'etat and the ensuing chaos. Abhisit said there would be a "huge risk" to the monarchy if King Bhumibol were to try to intervene in the current environment. Before the Court ruling, the RTG postponed the ASEAN Summit until March 2009.
- 12. (C) Comment: The Constitutional Court's ruling was widely expected, but it is unclear whether it will end anti-government demonstrations or provoke a violent response from government sympathizers. PAD leaders, whom we sense are divided, may realize that their seizure of Bangkok's airports is fast eroding the support they enjoyed from Bangkok's middle and upper class; the ruling offers them a chance to declare victory, end the airport occupations, and allow public focus to return to the King's birthday celebrations. If, as Abhisit predicted, the PAD does not choose this option and the King does not use his December 4 annual birthday message to send a clear signal to end the protest, the

stalemate could drag on, with no fixed end in sight. End Summary and Comment.

ABHISIT AND AMBASSADOR MEET IN RUN-UP TO RULING

- 13. (SBU) Democrat Party (DP) Leader Abhisit Vejjajiva, accompanied by leading DP legislator Korn Chatikavanij, called on the Ambassador (accompanied by Political Counselor and Poloff) at the Residence on December 2. This meeting took place two hours before the Constitutional Court issued a verdict dissolving the People's Power Party (PPP), the Chart Thai Party, and the Matchima Thippathai Party, because of election improprieties by executive board members (see ref A and previous). In accordance with constitutional provisions, this ruling stripped the three parties' executive board members, including Prime Minister Somchai Wongsawat, of their political rights for a five year period.
- 14. (SBU) The press reports that Deputy Prime Minister Chavarat Chanveerakul -- a senior businessman who served twice in the 1990s as Deputy Finance Minister -- will serve as Acting Prime Minister until the House elects a new PM. There has been no sign that the governing coalition, which retains majority support in the House, is fracturing after the verdict. It remains unclear how pro- and anti-government demonstrators will respond. One of the last acts of the Somchai Cabinet, which was meeting at the time of the Court's verdict, was to postpone the ASEAN Summit until March 2009.
- 15. (C) Abhisit appeared frustrated, despairing that he saw no easy way out of the current stalemate. Abhisit said he had long favored Army Commander Anupong Paojinda's recent

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suggestion that Prime Minister Somchai should dissolve the House of Representatives (ref B), although Anupong ought to have suggested this privately rather than publicly. Abhisit acknowledged that some PPP figures expressed concern that royalists would take advantage of House dissolution to impede new elections and impose rule by an ad hoc council (a contingency not provided for by the Constitution), but he dismissed this scenario as "crazy," "rubbish," and "ridiculous." (Comment: We are not as quick to dismiss this prospect; a leading Privy Councilor told the Ambassador that he and other senior royalists hoped to bring about rule by such a council -- ref D. End Comment.)

NOT MANEUVERING FOR PM-SHIP (YET)

- 16. (C) Appearing genuinely pessimistic, Abhisit denied that he would seek to build majority support in the House for his own potential candidacy as Prime Minister. (Note: Abhisit formally became a candidate for PM after then-Prime Minister Samak Sundaravej was forced out of office in September. End Note.) Abhisit said he might be open to talks with other parties' faction leaders if they were to approach him, but it would be inappropriate for him to go courting their support. He said he would watch carefully for signs of disunity among PPP figures, noting the pace at which they would move to the Puea Thai party, which pro-Thaksin figures formed as a backup vehicle in the event of PPP dissolution.
- 17. (C) Note: On December 1, a senior PPP figure close to Thaksin predicted confidently to us that all PPP MPs would move to Puea Thai; it would be too difficult for any of them to win reelection in the North or Northeast if they were to appear publicly at odds with Thaksin, he said. Somewhat in contrast, a PPP MP associated with Buriram politician Newin Chidchob told us December 2 that Newin had told his faction members December 1 that, while the government needed to be formed within 15 days, they had 60 days under the Constitution to join a new party and therefore did not need to rush to join Puea Thai before the formation of a new government.

18. (C) Abhisit dismissed the possibility of a "national unity government" consisting of all political parties. He said that such a government could only succeed if all parties involved wanted it -- a scenario he clearly doubted. He said the best course of action was to "return power to the people" through new elections.

PAD UNLIKELY TO STOP IF THAKSIN RETAINS INFLUENCE

- 19. (C) Abhisit predicted that the imminent Constitutional Court dissolution of PPP would not prompt the anti-government People's Alliance for Democracy (PAD) to stop its protests at Bangkok's airports. The PAD's fundamental grievance was that the government was serving the interests of former Prime Minister Thaksin Shinawatra, and the PAD would continue to demonstrate against any successor to Somchai who appeared aligned with Thaksin.
- 110. (C) The Ambassador stressed that the USG had sought not to take any public stance that appeared in favor of one side or another in the current polarized environment, but the PAD seizure of the airports clearly contravened Thai laws and international conventions, and this move had generated legitimate concerns by the international community. The Ambassador asked whether Abhisit had considered imposing any sanction on DP MP Somkiat Pongpaiboon, one of the PAD co-leaders. Abhisit said that, because of Somkiat's preoccupation with the current crisis, it was difficult for him to speak with Somkiat, but the last time that they had spoken, Abhisit had said Somkiat should "think about resigning" from the party.

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THAKSIN AND THE REDSHIRTS

- 111. (C) Abhisit noted pessimistically that PAD's seizure of the airports had set a very negative precedent that would now be included in both sides' playbooks for years to come. He said that he was not willing to rule out the vague, dire predictions from some quarters that Thailand would fall into a state of civil war. That said, he had been surprised by the relatively low strength of the pro-government "redshirt" activists in recent days. He explained the low turnout by claiming Newin Chidchob had not yet thrown his weight behind their efforts -- if Newin were involved, the protests would be larger and better organized. (Note: Separately, a PPP MP associated with Newin told us that the latest round of redshirt protests was organized by Thaksin loyalist and former House Speaker Yongyuth Tiyapairath, and that Newin would send his people into the streets only if a coup occurred. End Note.)
- 112. (C) Abhisit claimed with conviction that Thaksin was behind the recent bombing of PAD rally sites. (Note: On the night of December 1, an explosion at Bangkok's Don Muang (domestic) airport killed one PAD protestor and injured more than 20 others. The press reported allegations that this and other explosions were due to M-79 grenades fired at PAD-occupied venues. End Note.) Abhisit claimed the modus operandi of the attacks showed they were not the work of amateurs; he suspected Thaksin had paid an unnamed General to carry out the attacks, and he observed that, because Thaksin was overseas, he could be more aggressive in his tactics without risking harm to himself.
- 113. (C) Thaksin would welcome a coup d'etat, Abhisit claimed. Recent events had shown how difficult it would be for Thaksin to secure amnesty and avoid conviction in his remaining court cases. Thaksin's best chance was for chaos to erupt, enabling him to overturn the existing legal framework. If the military were to launch a coup, Thaksin could lead a countercoup and position himself as a champion

of democracy. Abhisit claimed that Thaksin and his proxies would not go so far as to crack down on the PAD in order to provoke a coup, however, because it was important for the pro-Thaksin side to retain an appearance of victimization.

114. (C) Comment: We are highly skeptical of the argument that Thaksin favors a military coup. Thaksin has told the Ambassador that he was lobbying against a coup (ref E); Thaksin ally Yongyuth told the Ambassador that he feared for his life in the event of a coup (ref C); we see no basis to believe that pro-Thaksin figures can prevail in a countercoup against the military, which overall remains strongly loyal to the King. End Comment.

THE KING'S ROLE

115. (C) Abhisit remarked that King Bhumibol was in a very difficult position. In years past, the King had remained above the fray and was respected by both sides in a social conflict. Now, however, the pro-Thaksin side was trying actively to make the monarchy appear as though it was a biased participant in the current crisis. When asked whether the King might be able to bring about a peaceful resolution of the current standoff, Abhisit said the King might be able to make a general appeal to the nation, but any specific proposal would entail a "huge risk" to the monarchy, which would lose prestige if the King's advice were to be ignored. When asked whether the absence of the King's intervention at a time of crisis would also undermine the institution, by raising questions about its continued utility, Korn scoffed at the notion; Abhisit replied simply: "You can already read comments raising that question posted on the BBC website."

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JOHN